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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended Mar. 31, 1992 Commission File Number 0-13773

PEOPLES MID-ILLINOIS CORPORATION
(Exact name of Registrant as specified in its charter)

DELAWARE	37-0960788
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer Identification No.)
120 North Center Street, Bloomington, Il.	61702-0068
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code 309/823-7000

None
Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 14, 1992.
Common Stock (Par value $2.50)	1,898,722 shares

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PART I.

Item 1. Financial Statements

PEOPLES MID-ILLINOIS CORPORATION
CONSOLIDATED BALANCE SHEET (Unaudited)
(In thousands)

	March 31, 1992	December 31,1991
Assets		
Cash and due from banks	$ 29,284	$ 30,476
Federal funds sold and other short-term investments	30,000	18,000
Investment securities	147,424	173,367
Loans	128,171	136,350
Less: Reserve for possible loan losses	(2,221)	(2,214)
Net Loans	125,950	134,136
Premises and equipment	4,069	4,137
Other assets	4,221	5,145
Total Assets	$340,948	$365,261
Liabilities		
Deposits:		
Demand	$ 49,519	$ 52,380
Savings	86,464	82,267
Time	106,786	116,248
Total Deposits	242,769	250,895
Federal funds purchased	18,185	21,980
Securities sold under agreement to repurchase	37,401	40,569
Interest-bearing demand notes issued to the U.S.Treasury	5,130	15,000
Other liabilities	4,064	4,124
Total Liabilities	307,549	332,568
Stockholders' Equity		
Preferred stock	-	-
Common stock	5,159	5,159
Surplus	9,979	9,979
Retained earnings	19,231	18,525
Less-Treasury stock at cost	(970)	(970)
Total Stockholders' Equity	33,399	32,691
Total Liabilities and Stockholders' Equity	$340,948	$365,261

(See accompanying notes to consolidated financial statements)

PEOPLES MID-ILLINOIS CORPORATION
CONSOLIDATED STATEMENT OF INCOME (Unaudited)
(In thousands except per share data)

	Three Months Ended March 31	
	1992	1991
Interest Income from:		
Loans	$ 2,949	$ 3,089
Investment securities:		
Taxable	2,093	2,738
Exempt from federal income taxes	594	510
Other	586	456
Total Interest Income	6,222	6,793
Interest Expense on:		
Deposits	2,582	3,085
Short-term borrowings	738	931
Total Interest Expense	3,320	4,016
Net Interest Income	2,902	2,777
Provision for loan losses	-	-
Net Interest Income After Provision for Loan Losses	2,902	2,777
Noninterest Income		
Trust and farm management fees	414	436
Service charges on deposit accounts	223	208
Other	187	112
Total Noninterest Income	824	756
Noninterest Expense		
Salaries and employee benefits	1,133	1,072
Occupancy of bank premises	186	169
Equipment	128	161
Federal deposit insurance premium	138	108
Federal Reserve Bank service fees	100	96
Other	523	504
Total Noninterest Expenses	2,208	2,110
Income Before Income Taxes	1,518	1,423
Provision for income taxes	337	321
Net Income	$ 1,181	$ 1,102
Per Share Data		
Average shares outstanding	1,898,722	1,900,722
Net income	.62	.58
Cash dividends paid	.25	.17

(See accompanying notes to consolidated financial statements)

PEOPLES MID-ILLINOIS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(In thousands)

	Three Months Ended March 31,	
	1992	1991
Operating Activities		
Net income	$ 1,181	$ 1,102
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	109	126
Net amortization (accretion) related to investments	265	(156)
Net decrease in other assets	924	757
Net (decrease) increase in other liabilities	(61)	23
Net Cash Provided from Operating Activities	2,418	1,852
Investing Activities		
Sales/maturities of investment securities	35,457	46,805
Purchases of investment securities	(9,779)	(43,889)
Net decrease in loans	8,187	5,807
Purchases of premises and equipment	(41)	(61)
Net Cash Used by Investing Activities	33,824	8,662
Financing Activities		
Net decrease in deposits	(8,126)	(2,866)
Net decrease in short-term borrowings	(16,833)	(692)
Cash dividends	(475)	(317)
Net Cash Used by Financing Activities	(25,434)	(3,875)
Change in Cash and Cash Equivalents	10,808	6,639
Cash and cash equivalents at beginning of year	48,476	37,941
Cash and Cash Equivalents at End of Period	$ 59,284	$ 44,580
Supplemental Information		
Cash paid:		
Interest on deposits and short-term borrowings	$ 3,752	$ 4,427
Income taxes	105	-

(See accompanying notes to consolidated financial statements)

PEOPLES MID-ILLINOIS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and with Rule 10-01 of Regulations S-X. Accordingly, they do not include all of the information and footnotes required for complete financial statements by generally accepted accounting principles. The consolidated financial statements include all adjustments which are, in the opinion of management, necessary to a fair statement of the results of these periods.

2. Reclassifications

Certain 1991 amounts have been reclassified to conform with 1992 presentations.

Management's Discussion and Analysis

Financial Condition

Total assets of Peoples Mid-Illinois Corporation (the "Corporation") declined from $365,261,000 at December 31, 1991 to $340,948,000 at March 31, 1992. A significant portion of the decline in assets was due to the decrease of $9,870,000 in the interest bearing note issued to the U. S. Treasury. The balance of this note fluctuates daily and is determined by the U. S. Treasury. Proceeds of the note are invested in federal funds sold or other overnight investments.

Federal funds sold and other short-term investments increased to $30,000,000 at March 31, 1992 from $18,000,000 at December 31, 1991 despite the decline in the interest bearing note issued to the U.S. Treasury. Funds received from maturing investments and loan refinancings have been invested in short-term investments as an alternative to locking in the extremely low rates available on medium term investments during the first quarter of 1992.

Investment securities decreased to $147,424,000 at March 31, 1992 from $173,367,000 at December 31, 1991. Maturing securities have been reinvested in short-term investments (above) or were used to fund the withdrawal of funds from maturing time deposits and securities sold under agreement to repurchase discussed below.

Net loans decreased from $134,136,000 at December 31,1991 to $125,950,000 at March 31, 1992. $6,345,000 of the decrease was in real estate loans, primarily residential. Low mortgage rates resulted in an increase in refinancings of residential mortgages of 15 year and 30 year terms. The Corporation sells these mortgages to the Federal Home Loan Mortgage Corporation ("FHLMC") rather than holding the loans in its portfolio to eliminate exposure to interest rate risk over the life of the loan. The Corporation continues to service these loans for FHLMC, which has resulted in an increase in noninterest income.

The decrease in loans caused the reserve for loan loss to increase to 1.73% of total loans at March 31, 1992 from 1.62% at December 31, 1991. The reserve increased $7,000 during the first three months of 1992 as recoveries of loans previously charged off exceeded charge-offs. Nonperforming loans (total nonaccrual and renegotiated loans) decreased to $62,000 at March 31, 1992 from $159,000 at December 31, 1991. These amounts indicate that the quality of the Corporation's loan portfolio remains high.

Total deposits decreased $8,126,000 to $242,769,000 at March 31, 1992 from $250,895,000 at December 31, 1991. Demand deposits decreased $2,861,000 from year end to March 31 as a result of a decrease in official checks. Time deposits decreased $9,462,000 from $116,248,000 at December 31, 1991 to $106,786,000 at March 31,

1992. This decrease also resulted from the low interest rate environment during the first quarter of 1992. Many customers moved their funds from time deposits and securities sold under agreement to repurchase (which decreased from $40,569,000 at December 31, 1991 to $37,401,000 at March 31, 1992) to savings deposits to avoid locking in the low rates. As a result, savings deposits increased from $82,267,000 at December 31, 1991 to $86,464,000 at March 31, 1992. Other customers withdrew funds from maturing time deposits and repurchase agreements to invest in mutual funds and other financial products not offered by the Corporation.

Federal funds purchased decreased to $18,185,000 at March 31, 1992 from $21,980,000 at December 31, 1991. As a service to correspondent financial institutions, the Corporation purchases excess funds from them. The correspondent institutions generally determine the amount of the transactions.

The Corporation's capital increased to $33,399,000 at March 31, 1992 from $32,693,000 at December 31, 1991. At March 31, 1992, the leverage ratio (primary capital as a percentage of total assets) was 9.8%, the Tier I capital (total stockholders' equity) to risk weighted assets ratio was 21.68% and the total capital (Tier I capital plus reserve for loan loss) to risk weighted assets ratio was 23.13%. At December 31, 1991, these ratios were 8.95%, 20.03%, and 21.39%, respectively. By year-end 1992, new capital guidelines will be in place under which banks and bank holding companies are required to have a minimum 4% Tier I ratio and a minimum 8% total capital ratio.

Results of Operations

Net income for the three months ended March 31, 1992 was $1,181,000 compared to $1,102,000 for the three months ended March 31, 1991. On a per share basis, net income was $.62 and $.58 for the three months ended March 31, 1992 and 1991, respectively.

The increase in net income was primarily due to an increase in net interest income of $125,000 in the first quarter of 1992 compared to the same period in 1991. Net interest income increased despite a 35 basis point decrease in the net interest rate margin (net interest income divided by average interest earning assets) to 3.32% for the first quarter of 1992 compared to 3.67% during the first quarter of 1991. Average interest earning assets increased $43,147,000 to $346,167,000 during the first quarter of 1992 compared to $303,020,000 during the first quarter of 1991 and average interest bearing liabilities increased $29,856,000 to $272,058,000 for the three months ended March 31, 1992 compared to $242,202,000 during the same period in 1991. The increases in average balances

offset the decrease in the net interest rate margin resulting in the increase in net interest income.

The Corporation's marketing efforts and locally competitive rates on deposited funds and security repurchase agreements in 1991 resulted in increased interest bearing liabilities which funded the increase in interest earning assets. Despite the decreases in interest earning assets and interest bearing liabilities from December 31, 1991 to March 31, 1992, the average balances for the first quarter of 1992 were significantly higher than the first quarter of 1991.

Noninterest income increased $68,000 to $824,000 for the first three months of 1992 compared to $756,000 for the same period in 1991. Other noninterest income increased from $112,000 during the first quarter of 1991 to $187,000 for the first quarter of 1992 due to: $42,000 increase in mortgage loan application and servicing fees: $16,000 increase in letter of credit fees and $14,000 increase in ATM and credit card fees. Farm management fees decreased $22,000 in the first quarter of 1992 compared to the first quarter of 1991 due to a one-time consulting fee received in 1991. Service charges on deposit accounts increased $15,000 during the first quarter of 1992 compared to the same period in 1991 due to lower earnings allowance rates in 1992 and increased NSF/OD fees.

Non-interest expense increased $98,000 to $2,208,000 for the first quarter of 1992 compared to $2,110,000 for the same period in 1991. Salaries and employee benefits increased $61,000 for the first quarter of 1992 compared to 1991 due to normal increases in employee-related costs. Equipment expense decreased $33,000 to $128,000 for the first quarter of 1992 compared to $161,000 for the same period of 1991 due to reduced depreciation on capital equip- equipment purchased in 1989 as well as decreased maintenance contract expense. An 18% increase in the Federal Deposit Insurance Corporation ("FDIC") premium and a higher deposit base resulted in a $30,000 increase in FDIC premium expense during the first quarter of 1992 compared to the first quarter of 1991. Other noninterest expense increased $19,000 to $523,000 for the three months ended March 31, 1992 compared to $504,000 for the same period in 1991 primarily due to an increase in advertising expense. Occupancy expense increased $17,000 to $186,000 for the three months ended March 31, 1992 compared to $169,000 for the same period in 1991 due to an increase in utility costs and property rental.

The provision for income tax increased to $337,000 for the three months ended March 31, 1992 from $321,000 for the three months ended March 31, 1991 due to the increase in income before income tax in 1992 over 1991.

PART II

Item 6. Exhibits and Reports on Form 8-K

The registrant did not file any reports of Form 8-K during the three months ended March 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PEOPLES MID-ILLINOIS CORPORATION
(Registrant)

DATE: May 14, 1992.

By: _____
Andrew F. Anderson
President

DATE: May 14, 1992.

By: _____
Theresa Boyd
Secretary/Treasurer